

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 217052

61

ORIGIN OPIC-06

INFO OCT-01 NEA-10 ISO-00 EB-07 COME-00 CIAE-00 INR-07

NSAE-00 TRSE-00 L-03 FRB-03 XMB-02 AID-05 SS-15 SP-02

NSC-05 SSO-00 NSCE-00 INRE-00 /066 R

DRAFTED BY OPIC/GC:RSTERN

APPROVED BY EB/IFD/OIA:RJSMITH

EB/IFD/OIA:DHSTEBBING

NEA/PAB:DBARCHARD

----- 075388

O 012151Z SEP 76

FM SECSTATE WASHDC

TO AMEMBASSY DACCA IMMEDIATE

LIMITED OFFICIAL USE STATE 217052

E.O. 11652:N/A

TAGS:EFIN, EINV

SUBJECT:BELBAGCO

REF: (A) DACCA 4507; (B) STATE 214569; (C) DACCA 4433; (D)

DACCA 4460

1. DEPARTMENT AND OPIC CONCUR IN REVISIONS CONTAINED IN REFTEL (A) TO TEXT OF REPLY TO JUNE 25, 1976 LETTER OF INDUSTRIES SECRETARY HAQ, EXCEPT THE FIRST SENTENCE OF USG REPLY SHOULD READ QUOTE PLEASE MAKE REFERENCE TO YOUR LETTER DATED JUNE 25, 1976 REGARDING THE CLAIM FOR COMPENSATION OF BELBAGCO INC...UNQUOTE ETC.

2. OPIC IS UNWILLING TO ACCEPT THE PROPOSITION, EXPRESSED IN HAQ'S JUNE 25, 1976 LETTER THAT THE BDG'S OBLIGATION TO PAY COMPENSATION WITH RESPECT TO BANGLADESH FABRIC CO. IS GOVERNED BY PRESIDENTIAL ORDER 16 RATHER THAN PRESIDENTIAL ORDER 27. ACCORDINGLY, TO THE EXTENT POSSIBLE,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 217052

OPIC IS ANXIOUS TO PRESERVE ITS POSITION AS A SUBROGATED

CLAIMANT IN CONFORMITY WITH THE PROCEDURES APPLICABLE UNDER P.O. 27 AT THE SAME TIME THAT IT ADDRESSES THE BROADER AND MORE FUNDAMENTAL ISSUES RAISED IN HAQ'S JUNE 25 LETTER.

3. HOWEVER, AS A RESULT OF THE REPORT OF THE BDG'S PREVIOUS REFUSAL TO ACCEPT THE CLAIM FORM OF BELBAGCO ON JULY 2, 1976 (REPORTED IN REFTEL (A), PARA. 3) AND OPIC'S SETTLEMENT OF THE BELBAGCO CLAIM AGAINST IT AFTER THAT DATE (DESCRIBED IN PARA. 5, INFRA), IT IS NOT CLEAR TO OPIC HOW IT SHOULD PROCEED UNDER P.O. 27 AT THIS POINT. THE INQUIRY TO DEPUTY INDUSTRIES SECRETARY HUQ, (REPORTED IN REFTEL (C)) OR THE EFFORTS PROMISED BY BDG ECONOMIC MINISTER KARIM, (REPORTED IN REFTEL (B)) MAY EVENTUALLY CLARIFY THE PROCEDURAL STATUS OF THE CLAIM, BUT OPIC IS CONCERNED THAT IT MAY NOT HAVE SUFFICIENT TIME TO COMPLY WITH ANY FILING REQUIREMENTS BY THE SEPTEMBER 15 DEADLINE AND THAT ITS FAILURE TO DO SO MIGHT BE RAISED BY THE BDG AS ANOTHER OBSTACLE, HOWEVER UNJUSTIFIED, TO PAYING THE BELBAGCO CLAIM.

4. IN LIGHT OF THE ABOVE: (A) THE STATE DEPARTMENT'S AUTHENTICATION OF THE CERTIFICATE OF THE SECRETARY OF STATE OF DELAWARE IN REFERENCE TO BELBAGCO IS BEING AIR POUCHES SO THAT THE EMBASSY MAY ISSUE A NATIONALITY CERTIFICATE FOR POSSIBLE USE WITH THE BELBAGCO CLAIM FORM; (B) OPIC REQUESTS THAT EMBOFFS CONTACT DEPUTY INDUSTRIES SECRETARY HUQ, OR OTHER APPROPRIATE BDG OFFICIALS, TO OBTAIN AN IMMEDIATE CLARIFICATION OF HOW BELBAGCO OR OPIC SHOULD PROCEED UNDER P.O. 27 SO THAT ANY NECESSARY DOCUMENTS CAN BE FILED PRIOR TO THE SEPTEMBER 15 DEADLINE, OR, IN THE ABSENCE OF SUCH CLARIFICATION, TO RECEIVE FORMAL ASSURANCES THAT THIS DEADLINE WILL BE WAIVED FOR PURPOSES OF THIS CLAIM.

5. FYI. OPIC ENTERED INTO AN AGREEMENT OF SETTLEMENT WITH BELBAGCO WITH RESPECT TO BELBAGCO'S CLAIM FOR COMPENSATION UNDER OPIC CONTRACTS OF GUARANTY ON JUNE 28, 1976 AND PAID BELBAGCO THE AMOUNT SPECIFIED IN THE AGREEMENT ON JULY 15, 1976. THE AMOUNT OPIC PAID BELBAGCO IS SUBSTANTIALLY LESS THAN BELBAGCO'S CLAIM AGAINST THE BDG DUE TO THE SPECIAL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 217052

NATURE OF OPIC CONTRACT COVERAGE AND NEGOTIATIONS LEADING UP TO THE SETTLEMENT AGREEMENT. HOWEVER, OPIC INTENDS TO PURSUE THE CLAIM AGAINST THE BDG, EITHER IN THE NAME OF BELBAGCO OR IN ITS OWN NAME (DEPENDING UPON BDG REQUIREMENTS), FOR THE FULL AMOUNT OF COMPENSATION DUE FOR THE NATIONALIZED COMPANY. PRESENTLY, UNDER THE SETTLEMENT AGREEMENT, ALL OF BELBAGCO'S RIGHTS AND CAUSES OF ACTION WITH RESPECT TO BANGLADESH FABRIC CO. ARE HELD IN TRUST FOR

OPIC, ALTHOUGH OPIC HAS THE RIGHT TO DEMAND A LEGAL TRANSFER THEREOF TO OPIC UPON REQUEST.

6. ON THE BASIS OF THE EXTENSIVE BACKGROUND INFORMATION AND RECOMMENDATIONS CONCERNING LOCAL ATTORNEYS IN BANGLADESH CONTAINED IN PARA 4 OF REFTTEL (C), GREATLY APPRECIATED BY OPIC, THE EMBASSY IS REQUESTED TO CONTACT HOSSAIN FIRM: (A) TO DETERMINE WHETHER THEY WOULD BE IN A POSITION TO DEVOTE TIME TO THE BELBAGCO CLAIM AT THIS TIME; (B) IF SO, TO ASK THEM TO RENDER ASSISTANCE, IF NECESSARY, TO ANSWERING QUESTIONS ON HOW OPIC SHOULD PROCEED TO PERFECT THE CLAIM UNDER P.O. 27 AND (C) TO WRITE OPIC WITH A PROPOSAL FOR THE MANNER OF COMPENSATION FOR THEIR FUTURE SERVICES.

7. OPIC IS UNAWARE OF ANY CLAIMS FILED AGAINST THE GOVERNMENT OF PAKISTAN AS A RESULT OF ACTS BY THE GOVERNMENT OF BANGLADESH BUT WILL ENDEAVOR TO DOUBLE CHECK THIS AS SUGGESTED IN REFTTEL (C), PARA 2(B).

8. DEPARTMENT AND OPIC ARE UNABLE TO LOCATE DOCUMENTS REFERRED TO IN REFTTEL (D) PARA 2, EXCEPT MARCH 13 LETTER TO HEARD AND MARCH 26, 1973 LETTER FROM HEARD. ROBINSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, COMPENSATION, CLAIMS
Control Number: n/a
Copy: SINGLE
Draft Date: 01 SEP 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: saccheem
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE217052
Document Source: CORE
Document Unique ID: 00
Drafter: RSTERN
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760332-0548
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t197609100/aaaadhze.tel
Line Count: 138
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 DACCA 4507, 76 STATE 214569, 76 DACCA 4433
Review Action: RELEASED, APPROVED
Review Authority: saccheem
Review Comment: n/a
Review Content Flags:
Review Date: 07 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 JUN 2004 by ElyME>; APPROVED <04 OCT 2004 by saccheem>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BELBAGCO
TAGS: EFIN, EINV, BG, US, BELBAGCO
To: DACCA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006